

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF OHIO**

IN RE:)	CHAPTER 11
)	
Squirrels Research Labs LLS, et al.,)	CASE NO. 21-61491-rk
)	(Jointly Administered)
Debtors.)	
)	JUDGE RUSS KENDIG

**THE CINCINNATI INSURANCE COMPANY’S
MOTION FOR RELIEF FROM STAY**

THE CINCINNATI INSURANCE COMPANY (the “Movant”) moves this Court, under Bankruptcy Code §§ 361, 362, and other sections of Title 11 of the United States Code, under Federal Rules of Bankruptcy Procedure 4001 and 6007, and under [Local Bankruptcy Rule 4001-1](#), for an order conditioning, modifying or dissolving the automatic stay imposed by Bankruptcy Code § 362 as it relates to the issuance of insurance proceeds to a non-party for restoration work performed on behalf of the Debtors. **Pursuant to Local Bankruptcy Rule 4001-1 this motion deviates completely from the local form as the local forms do not adequately address the circumstances leading up to this Motion for Relief from Stay.**

MEMORANDUM IN SUPPORT

1. The Court has jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b)(2). The venue of this case and this motion is proper under 28 U.S.C. §§ 1408 and 1409.

2. On November 23, 2021, both Squirrels Research labs, LLC and Midwest Data

Company, LLC (each a “Debtor” and collectively “Debtors”) filed petitions for relief under Chapter 11 of the Bankruptcy Code.

3. On or about July 15, 2001 a fire broke out at the warehouse facility occupied by one or more of the Debtors causing damage to various pieces of property and equipment.

4. At the time of the warehouse fire, Debtors maintained a Commercial General Liability Policy No. with CIC. With the knowledge and consent of Debtors and CIC, non-party Envista Forensics, LLC d/b/a AREPA (“AREPA”) performed restoration services beginning on July 16, 2021 and continuing through completion to restore the damaged property. The cost of the restoration was \$679,638.92. See Agreement attached as Exhibit A. Attached as Exhibit B is the Authorization of Squirrels Research labs, LLC for CIC to pay AREPA (“Authorization”).

5. On or about August 21, 2021, Squirrels Research labs, LLC executed a Certificate of Completion and satisfaction with the work performed. See Certificate attached as Exhibit C.

6. AREPA performed restoration services and invoiced CIC per the Authorization. See Invoice attached as Exhibit D in the amount of \$679,638.92 for the restoration services provided by AREPA.

7. The filing of these Chapter 11 cases (21-61491-k and 21-61492-k) have caused CIC concern as to whether it is permitted to pay AREPA directly absent relief from the automatic stay from this Court.

8. While CIC does not believe payment of insurance proceeds to AREPA is an asset of the Bankruptcy Estate, in the abundance of caution CIC respectfully requests an order from this Court authorizing CIC to pay the AREPA invoice in the amount of \$679,638.92 pursuant to Bankruptcy Code § 362 et seq.

9. The Debtors do not have any equity in any insurance proceeds and the insurance proceeds would not become an asset of the Bankruptcy Estate for purposes of Ch. 11 Bankruptcy reorganization.

10. CIC respectfully requests this Court for an Order for Relief from Stay or otherwise authorizing CIC to pay AREPA for restoration services performed.

CONCLUSION

WHEREFORE, The Cincinnati Insurance Company respectfully requests this Court for an Order granting it relief from the automatic stay or otherwise to permit Cincinnati Insurance Company to proceed with payment to AREPA

Respectfully submitted,

/s/ Robert E. Goff, Jr.

ROBERT E. GOFF, JR. (0069818)

RGoff@westonhurd.com

Weston Hurd LLP

1300 E. 9th Street, Suite 1400

Cleveland, OH 44114

(216) 241-6602 / (216) 621-8369 (fax)

Counsel for Movant

The Cincinnati Insurance Company

CERTIFICATE OF SERVICE

The undersigned certifies that on January 5, 2022, a true and correct copy of the foregoing The Cincinnati Insurance Company's Motion for Relief From Stay was served via the Court's electronic case filing system on these entities and individuals who are listed on the Court's Electronic Mail Notice List:

Marc B. Merklin on behalf of Debtor Squirrels Research Labs LLC
mmerklin@brouse.com; tpalcic@brouse.com; mmiller@brouse.com

Julie K. Zurn on behalf of Debtor Squirrels Research Labs LLC
jzurn@brouse.com; tpalcic@brouse.com

Kate M. Bradley on behalf of United States Trustee
kate.m.bradley@usdoj.gov

Frederic P. Schwieg, Subchapter V Trustee
fschwieg@schwieglaw.com

John C. Cannizzaro on behalf of Interested Party Instantiation LLC
john.cannizzaro@icemiller.com; laurenprohaska@icemiller.com

Jeannie Kim on behalf of Interested Party Instantiation LLC
JeKim@sheppardmullin.com; dgatmen@sheppardmullin.com

Jason R. Schendel on behalf of Interested Party Instantiation LLC
jschendel@sheppardmullin.com

Christopher Paul Combest on behalf of Creditor Avnet, Inc.
christopher.combest@quarles.com

Christopher Niekamp on behalf of Creditor Better PC, LLC
cniekamp@bdblaw.com

Paul J. Schumacher on behalf of Interested Party Ohio Power Company dba American Electric Power
pschumacher@dmclaw.com; tgross@dmclaw.com

John G. Farnan on behalf of Creditor The Cincinnati Insurance Company
jfarnan@westonhurd.com

David M. Neumann on behalf of Creditor Envista Forensics, LLC d/b/a AREPA
dneumann@meyersroman.com

David M. Neumann on behalf of Creditor Torea Consulting Ltd.
dneumann@meyersroman.com

Joshua R. Vaughan on behalf of Creditor Ohio Bureau of Workers Compensation
jvaughan@amer-collect.com

And by regular U.S. Mail, postage prepaid, on:

Brouse McDowell, on behalf of Debtor Squirrels Research Labs LLC
388 South Main Street, Suite 500
Akron, OH 44311-4407

/s/ Robert E. Goff, Jr.
ROBERT E. GOFF, JR. (0069818)